RESOLUTION NO. 011-12

SETTING FORTH FINDINGS AND CONCLUSIONS OF THE BOARD OF DIRECTORS IN CONNECTION WITH THE WOODLANDS TOWNSHIP 2012 COMMUNITY OUTREACH AND GOVERNANCE OPTIONS REPORTS

WHEREAS, The Woodlands Township (the "Township") is a political subdivision and a special purpose district of the State of Texas created, organized and operating pursuant to the provisions of Chapter 289, Acts of the 73rd Texas Legislature, Regular Session, 1993, as amended (the "Act"); and

WHEREAS, effective November 16, 2007, the Township, as successor to the former Town Center Improvement District of Montgomery County, Texas, entered into Regional Participation Agreements with the City of Houston, Texas, and the City of Conroe, Texas, which include provisions to allow the area of the Township to be incorporated as a municipality or to adopt an alternative form of local government, on or after May 29, 2014, but not later than November 16, 2057, and to be released from the extraterritorial jurisdiction of such cities; and

WHEREAS, in 2011, the Township engaged Partners for Strategic Action ("PSA"), as recognized experts in local governance and communications, to conduct and complete, in advance of November 4, 2014, the earliest lawful date for conducting an incorporation election: (i) a detailed analysis of the governance and service delivery capabilities of the present Township form of government and an incorporated municipality, (ii) a detailed financial model comparing the present Township form of government and an incorporated municipality, and (iii) a community outreach, education and involvement program to inform the community of the results of such evaluation and model and to solicit feedback and opinions from the community; and

WHEREAS, such community outreach program was conducted over an 18-month period and included town hall style forums, focus group and large group meetings, online interaction and frequent progress reports and requests for directions to the Township staff and Board of Directors; and

WHEREAS, a community outreach summary report (the "Outreach Report") was developed, prepared and disseminated in July, 2012, based upon all Township staff and Board of Directors and community and stakeholder feedback, directions and opinions on the performance analysis report and financial model results; and

WHEREAS, based on such Outreach Report results, a governance options report (the "Options Report") was developed in August,

2012, and the Board of Directors of the Township considered the contents and results of such Outreach Report and Options Report at a special meeting called and held for such purpose on August 2, 2012; and

WHEREAS, such Outreach Report, although not sufficiently controlled to be statistically valid, nevertheless demonstrates strong community support for continuation of the current Township form of government, with appropriate continuing monitoring of community needs, and does not demonstrate adequate community support for incorporation as a municipality in the near term; and

WHEREAS, after due deliberation, consultation with PSA and Township staff and legal counsel, and consideration of public comments, the Board of Directors of the Township has determined and deems it appropriate to set forth herein its findings and conclusions in such regard; Now, therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WOODLANDS TOWNSHIP, THAT:

Section 1: The Board of Directors finds that, absent significant changes in community needs or financial consequences, there exists insufficient community support or a compelling need to pursue incorporation in 2014 or in the foreseeable future and, therefore, an incorporation election should be indefinitely deferred.

Section 2: The Board of Directors of the Township further finds it consistent with the directions provided by the community, as set forth in the Outreach Report, that the Township staff be requested and directed to develop and present to the Board of Directors within 120 days a plan for annually reporting to the Board of Directors on any significant changes in community needs or financial consequences of incorporation that have been properly documented or demonstrated in the preceding annual reporting period in order that the Board of Directors may consider any further actions and the implementation of further or additional community outreach programs in such regard.

PASSED and APPROVED this 22th day of August, 2012.

Chairman,	Board	of	Directors

ATTEST:

Secretary, Board of Directors (SEAL)